At the end of 1938, a Committee on State Referves was created under the Council of People's Commissars USSR (now Council of Ministers USSR).

The purpose of this committee is to supply the whole national economy and defense system with materials and equipment in case of war.

The committee accumulates and stores stocks of strategic materials and technical equipment which can be used only when necessary in wartimes and on the instructions of the supreme command of the country's defense.

The committee is headed by a chairman and three deputies, who direct all operational-economic activity within their competence, in strict accordance with the over-all national economic and defense plans, including the industrial mobilization plan.

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In its work, the committee has close contact with the supreme organ of the national economy, the Council of Ministers, and the State Planning Commission, the Supreme Military Command, and the General Staff of all branches of the army. The committee is under the political supervision of the Politburo of the Central Committee of the All-Union Communist Party. The supervisory staff of the Committee on State Reserves is appointed by the Politburo.

Organization of Committee

1. The committee works out the national plan for the mobilization of industry and the accumulation of strategic reserves, and puts it into effect. Subordinate to this committee are committees on state reserves for republics, autonomous oblasts, krays, and oblasts.

The committee has the right to interfere directly in the work of its subordinate republic, kray, and oblast committees. It is responsible to the Politburo and the Council of Ministers for the performance of its duties.

- 2. Republic, kray and oblast committees on state reserves perform the same functions within their own areas.
- 3. Oblast committees exercise supervision over city and rayon state reserves committees, which work through special agents.

With respect to stockpiling strategic materials and the industrial mobilization plan, defense industry is directly subordinate to the Committee on State Reserves, which has its own agents (upolnomochennyy) in the form of the apparatuses of the Second Section, in all plants important to defense. Until 1939, the Second Section bore the name Mobilization Division. The chief of the Second Section of a factory is subordinate to the chief of the Second Section in a main administration; the chief of the Second Section of a main administration is subordinate to the chief of the Second Section of a ministry; and the latter is subordinate through the minister, and also directly, to the plenipotentiary agent or chief of the Second Section of that type of industry to which the ministry belongs.

With regard to reserves of agricultural products and other materials, the committee works through its agents in rayons, cities, oblasts, autonomous oblasts, krays, and republics, with a subordination system corresponding to the administrative apparatus of the USSR. The committee has the right to interfere directly, through its special agents, in the operations of this apparatus.

Sample List of Strategic Materials and Equipment for Stockpiling

Stocks of items I through VI below sufficient to maintain uninterrupted operation for a period of at least 3 months, and up to a year, must be kept sealed in plant warehouses. These stocks are under the sole authority of the Second Section, that is, the apparatus of the Committee on State Reserves.

I. Nonferrous Metals

- 1. Copper
- 2. Silver
- 3. Tin
- 4. Zinc
- 5. Lead
- 6. Aluminum
- 7. Magnesium

- 8. Chromium
- 9. Nickel
- 10. Arsenic
- 11. Antimony
- 12. Consit
- 13. Mercury
- 14. Molybdenum

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II. F	Onna	Metals		42.	Colophony
TT. I	lare	Medalo			Iodine
,		fungsten			Bromine
		Vanadium			Chemical ware
					•
	_	Radium			Nickelin (nikkelin)
		Uranium		47.	Electrical insulating
_	·.	Strontium		1. C	materials
		Thorium		40.	Ceramic products (firebrick,
	1	Ruthenium			_crucibles, etc.)
		Osium			Tar paper
		Rubidium		•	Canvas
		Tellurium			Horsehair
1.	1.	Palladium		52.	Bristles
13	2.	Lithium		53.	Felt
1	3.	Cesium		54.	Sealing wax
	-			55.	Tar, resin, etc.
III.	Mat	erials			,
	•••		IV.	Fer	rous metals
	1.	Sodium			
		Sulfur		1.	Pig iron
		Saltpeter			Cast iron
		Rubber		-	Steel
		Soda		4.	Alloy steel Transformer iron
	٥.	Phosphorus			
	٦٠	Oils (including castor)		٥.	Ferrosilicon
	ø.	Vaseline			
		Naphthalene	v.	Liq	uid Fuel
		Aniline			
		Ether			High-octane gasoline (benzin)
		Alcohol			Automobile gasoline (benzin)
		Rope		3.	Gasoline (gazolin)
	14.	Leather			Kerosene
	15.	Fiber		5,	6, 7 [omitted]
	16.	Cellulose			Mazut
	17.	Antifriction alloys		9.	Asphalt
		Nonferrous alloys			Crude petroleum
		Graphite			-
		Mica	VT.	Har	d Fuel
		Diamonds			
		Hard alloys		1	Coking coal
		Rubies			Coke
		Carborundum		_	Anthracite
		Abrasives			
	67.	Heat-insulation materials			Charcoal
				-	Shale
	27.	Asbestos		6.	Bituminous coal
	28.	Chemical salts (potash, chromium			
		salts, cementing compounds)	VII.	Too	DI8
		Liquid glass			
	30.			1.	Cutting tools (cutting and
	31.				milling)
		[Omitted]		2.	Measuring instruments (gages,
	33.	Wood			micrometers, sliding cali-
	34.	Quartz			pers, etc.)
	35.	Acids		3.	Meters (for all types of
	36.	Paraffin		-	equipment)
	37.			4.	
	38.	Ivory black			Hand tools

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Gelatin

Shellac

40. Lacquers and varnishes

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Specialized instruments (for

means of transport, equip-

ment, machines, machine tools, etc.)

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- 7. Drill bits
- 8. Files
- 9. Emery

VIII. Equipment

- Specialized technological equipment (machine tools, production machinery), amounting to about 20 percent of the total capacity of the plant
- Engines (up to 25 percent of total capacity)
- 3. Compressors and other machines
- 4. Means of trans ort (automobiles, railroad cars, locomotives, and small trucks)

IX. Armament and Military Equipment

- A. Means of transport
 - 1. Railroad equipment
 - 2. Motor transport equipment
 - 3. Maritime and river transport equipment
 - 4. Air transport equipment

B. Armament

- Artillery of all kinds
- 2. Firearms
- 3. Tanks
- 4. Armored cars
- 5. Airplanes
- Antiaircraft equipment
- 7. Chemical equipment
- 8. Medica_ equipment
- 9. Mortars
- 10. Flame-throwing equipment
- Technical equipment (equipment and instruments for field technical services for all branches of the army)
- 12. Equipment for administrative servicing of troops
- 13. Means of communication (telephone and radio)
- 14. Quartermaster supplies

C. Ammunition

- 1. Shells of various calibers
- 2. Bombs of all kinds and sizes
- 3. Grenades of all kinds and sizes
- 4. Land mines (stationary and projectile metatel'nyy)
- 5. Shrapnel
- 6. Sea mines
- Cartridges of various calibers
- 8. Incendiary, illuminating, and signal supplies

Methods of Accumulating and Storing Reserves

Groups I Through VI (Strategic Materials and Equipment)

1. Plants producing items in groups I through VI are required to have at least a 3-months' stock of nonferrous metals in special warehouses. The exact limits of stocks are established individually in each case.

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- 2. Plants consuming items in groups I through VI are required to have, in special warehouses on the plant grounds, stocks sufficient for continuous production for a period of 1-6 months.
- 3. The Committee on State Reserves has its own reserves. warehouses where stocks of materials from all groups are kept in sufficient quantity for uninterrupted supply of industry for a period of 1-12 months.

In all cases of storage, stocks of each type of material are renewed after a certain period. The storage period for materials customarily varies from one month to 2 years. During the storage period, materials are shipped to industry for use, and are replaced by the same quantity of new stocks.

Group VII (Tools)

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- 1. Plants using tools are required to have, in special warehouses, stocks sufficient for unjuterrupted (normal) production for a period of a year.
- 2. Standard tools such as, for example, drill bits, cutters, milling cutters, micrometers, rulers, etc., are also kept in warehouses, operated by the committee, in sufficient quantities to assure at least a year's normal work by defense industry.

Group VIII (Equipment)

1. The amount of equipment necessary to the work of a plant under full mobilization is increased by 10 to 50 percent (usually up to 20 percent more than required capacity) and is stored directly at the plant where it is to be used. (Large equipment, such as compressors, engines, and large pumps, is stored at the place of installation and sealed up; small equipment, such as electric motors, is stored in the plant's equipment warehouses.)

This equipment may be used c.ly in wartime when the factory's main equipment breaks down or is damaged, and only by special authorization of the organs of the committee.

2. Standard equipment such as electric motors, small pumps, electrical starting apparatus, etc., is also kept in the warehouses of the committee in quantities equivalent to 10 percent of the annual requirements of industry.

Ammunition Group

- 1. Ammunition plants keep reserves of semimanufactures rather than finished goods in their warehouses; for example, shell cases, cartridge cases, fuzes, etc. No more than 3-months' production is kept.
- 2. Military stores of all kinds of ammunition, in the amounts set by mobilization plans, are kept in quartermaster depots. The method of storing and renewing stocks is governed by special instructions.

Location of Warehouses (Stocks) of the Committee on State Reserves

I. Nonferrous Metals

- a. In plants producing nonferrous metals
- b. In plants consuming nonferrous metals
- c. In special warehouses of the Committee on State Reserves:

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Moscow: (1) town of Reytovo on Moscow-Gor'kiy Railroad (warehouses are located at the railroad station), and the supply base of the People's Commissariat of Nonferrous Metallurgy; (2) Second Freight Station of Moscow Belt Line

Sverdlovsk: Freight station No C

Chelyabinsk: Freight station

Kuybyshev: river port supply base

II. Rare Metals

a. In plants consuming rare metals

b. In special warehouses of the committee;

Moscow: (1) Reytovo; and (2) supply base of Main Administration of Rare Metals

III. Materials

a. In plant; producing materials

b. In plants consuming materials

c. In special warehouses of committee (see Ic above)

IV. Ferrous Metals

- a. In plants producing ferrous metals
- b. In plants consuming ferrous metals

V. Liquid Fuel

- a. Enterprises consuming fuel
- Supply bases
 - Moscow: (1) Reytovo petroleum supply base, 18 kilometers east on Gor'kovskoye Shosse (Gor'kiy Highway); and (2) Rostokino petroleum supply base at Rostokino Railroad Station
- c. Each of the country's industrial centers has its own petroleum supply

VI. Solid Fuel

- a. Enterprises consuming solid fuel
- b. Enterprises producing solid fuel
- c. There are central warehouses in every industrial center and, as a rule, at railroad stations

VII. Tools

- a. Producer enterprises
- Consumer enterprises
- c. Warehouses of the Committee on State Reserves

Moscow: (1) the town of Reytovo; and (2) the Balashikha warehouses of the Constitute at the Balashikha station of the Moscow-Gor'kly Railroad

VIII. Equipment

- Plants using equipment
- Warehouses of the Committee

Moscow: (1) Reytovo supply base; and (2) Balashikha supply base

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IX. Ammunition

a. Ammunition plants

b. Quartermaster depots and proving grounds of the military agencies

Moscow: (1) warehouses of Khoroshevo Serebryannyy Bor (Khoroshevo, Moscow Oblast; (2) Sofrino Proving Ground; and (3) Khoroshevo Proving Ground

The system of accumulating and storing state reserves of strategic industrial materials was practically in effect by the beginning of World War II.

It should be borne in mind that in the very first months of the war with Germany the system of state reserves did not achieve its purpose for the following reasons:

Although the whole plan of organization of state reserves was well-conceived and well-organized, both from the standpoint of accumulating reserves and the strategic location of warehouses, which were placed in such a way that the stocks were dispersed and the warehouses containing them located close to the country's chief industrial centers, thereby barring large losses of reserves of materials through military action by the enemy and the overloading of transportation facilities, nevertheless strategic stocks were lost because:

- 1. The rapid advance of the enemy in occupying the most important industrial areas in southern and southwestern USSR resulted in the loss of a large quantity of stocks.
- 2. As a result of the general disorganized state of USSR industry during the war, a large part of the reserves (not only reserves, but also regular industrial equipment) was lost during evacuation to the eastern part of the country.
- 3. For these reasons, the retained portion of the theoretically calculated quantity of state material reserves proved, under war conditions, so insufficient that it did not have any positive effect on the normal operation of the Soviet economy during the war. The only source of materials resources on which depended, more or less, the normal work of a part of Soviet industry was the materials received through US Lend-Lease.

Thus, the system of state reserves did not achieve its purpose in the USSR in the recent war. Although not badly conceived from a theoretical standpoint, the system of state reserves did not play a very important part in the Soviet economic system during the war.

/Appended chart follows.7

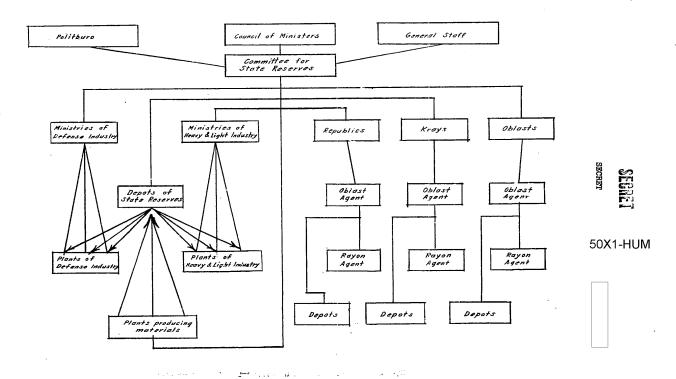
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Chart of Organization of Committee for State Reserves



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